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United States  
Department of  
Agriculture

Office of  
Information

# **Selected Speeches and News Releases**

**January 5 - January 12, 1989**

## **IN THIS ISSUE:**

### **News Releases—**

**USDA Proposes Revised Regulations for the National Poultry  
Improvement Plan**

**USDA Announces Prevailing World Market Rice Prices**

**USDA Removes Origin-Staining Rules for Canadian Alfalfa and Red  
Clover**

**Certain Cropped Wetlands, Land Adjacent to Streams Eligible for CRP**

**USDA Suspends Producer Assessment for Northern Wisconsin Tobacco**

**USDA Offers Purchase Plan for Rural Community Borrowers**

**USDA Announces 1989 Flue-Cured Tobacco Assessment Rates**

**USDA Announces Prevailing World Market Price for Upland Cotton**

**USDA Proposes to Allow Air Injection During Carcass Dressing  
Operations**

**USDA Proposes to Amend Regulations on Imported Products Refused  
Entry**

**USDA Proposes to Allow A New Binder in Ground and Formed Poultry  
Products**



# News Releases

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## USDA PROPOSES REVISED REGULATIONS FOR THE NATIONAL POULTRY IMPROVEMENT PLAN

WASHINGTON, Jan. 6—The U.S. Department of Agriculture today proposed revised regulations for the National Poultry Improvement Plan to help reduce transmission of diseases, such as Salmonella infections, via eggs, chicks and poults.

“The proposed changes would expand sanitation requirements for breeding flocks and hatcheries supplying chicks and poults to producers of poultry and eggs,” said Kenneth A. Gilles, assistant secretary of USDA’s Marketing and Inspection Services.

“Up to now, the plan has covered only Salmonella pullorum and Salmonella gallinarum, which cause poultry diseases—pullorum and fowl typhoid. Problems with these poultry diseases prompted producers to start the plan in the early 1930’s.”

The proposed revision requires surveillance for Group D Salmonella, including pullorum and gallinarum, as well as enteritidis, which has been implicated in cases of food contamination that caused Salmonella infections in humans. Breeders would have to test chicks and poults for the presence of these Salmonella. Breeders also would be required to follow feed processing and handling procedures that avoid Salmonella contamination.

“The proposed changes would result in a small rise in production costs as well as a small saving from reduced losses,” Gilles said. “The wholesale or retail cost of poultry or poultry products would not be affected.”

The National Poultry Improvement Plan is administered by APHIS as a service to poultry producers. About 85-90 percent of the poultry breeding and hatching industry participate in the voluntary plan. Members help make and enforce the rules, and the proposed changes were formulated at biennial plan conferences.

Changes proposed also involve minor revisions of existing monitoring and testing procedures and a new classification for turkey breeding flocks, ‘U.S. Sanitation Monitored, Turkeys.’



Details are scheduled for publication in today's Federal Register. Comments (an original and two copies) must arrive by Feb. 6 to be considered and should refer to Docket 86-110 and be addressed to: Regulatory Analysis and Development, APHIS, USDA, Room 866, Federal Building, Hyattsville, MD. 20782.

Max Heppner (301) 436-5222

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## **USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES**

WASHINGTON, Jan. 10—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 9.55 cents per pound;
- medium grain whole kernels, 8.80 cents per pound;
- short grain whole kernels, 8.74 cents per pound;
- broken kernels, 4.77 cents per pound.

Minimum loan repayment rates for 1987 crop loans are the higher of the world price or 50 percent of the loan rate. For 1988 crop rice, the minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, rough rice world prices are estimated to be:

- long grain, \$5.90 per hundredweight;
- medium grain, \$5.51 per hundredweight;
- short grain, \$5.27 per hundredweight.

The prices announced are effective today at 3:00 P.M. EST. The next scheduled price announcement will be made Jan. 17 at 3:00 P.M. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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## **USDA REMOVES ORIGIN-STAINING RULES FOR CANADIAN ALFALFA AND RED CLOVER**

WASHINGTON, Jan. 10—The U.S. Department of Agriculture has removed a requirement that the seed of alfalfa and red clover grown in Canada and imported into the United States be stained to indicate its origin.

“This action is needed to make the regulations of the Federal Seed Act conform with recent amendments to that law created by the U.S.-Canada Free-Trade Implementation Act of 1988,” said James Glosser, administrator of USDA’s Animal and Plant Health Inspection Service.

Before the amendments, one percent of each container of alfalfa or red clover seed grown in Canada and imported to this country had to be stained violet, according to Glosser.

The new rule became effective Jan. 1, the date the Free-Trade Implementation Act went into effect.

Written comments must be postmarked or received on or before March 3. An original and two copies, referring to Docket No. 88-208, should be sent to Helene R. Wright, Chief, Regulatory Analysis and Development, PPD, APHIS, USDA, Room 866, Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

Bonnie Aikman (301) 436-7250

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## **CERTAIN CROPPED WETLANDS, LAND ADJACENT TO STREAMS ELIGIBLE FOR CRP**

WASHINGTON, Jan. 10—The U.S. Department of Agriculture announced today that some cropped wetlands and cropland subject to scour erosion, will now be eligible for the Conservation Reserve Program (CRP).

Milton Hertz, executive vice president, Commodity Credit Corporation, said the lands will be eligible for the program only if the lands were cropped in two of the five crop years from 1981 to 1985. To be eligible, the land must be scoured with erosion caused by out-of-bank water flows which can be expected to flood at least once every 10 years.

USDA's Soil Conservation Service has estimated there were more than four million acres of cropped wetlands in production in 1982. Bringing these lands into the program will produce additional environmental benefits, Hertz said. The majority of this acreage is in the North Central states or in the floodplains of the Mississippi and other major rivers.

The enrolled land must be planted to trees or another approved vegetative cover.

Those wanting to participate in the CRP may obtain additional information from their local Agricultural Stabilization and Conservation Service county office. The eighth CRP signup period will be Feb. 6-24. More than 28 million acres were enrolled in the CRP from bids submitted during the first seven signups.

Robert Feist (202) 447-6789

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## **USDA SUSPENDS PRODUCER ASSESSMENT FOR NORTHERN WISCONSIN TOBACCO**

WASHINGTON, Jan. 10—The U.S. Department of Agriculture's Commodity Credit Corporation today announced suspension of producer assessment collections on the 1988 crop of cigar binder (type-55) tobacco grown in northern Wisconsin.

This action is being taken since all loan stocks of cigar binder (type-55) tobacco have been sold and funds in the No-Net-Cost Tobacco Account are sufficient to cover all losses. No 1988 crop cigar binder (type-55) tobacco is expected to be pledged as collateral for price support loans because of the improved supply and demand market situation for cigar binder tobacco.

Bruce Merkle (202) 447-6787.

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## **USDA OFFERS PURCHASE PLAN FOR RURAL COMMUNITY BORROWERS**

WASHINGTON, Jan. 11—The U.S. Department of Agriculture's Farmers Home Administration is offering rural communities with water, sewer and other essential facility loans from FmHA an opportunity to purchase them at a discount, Acting FmHA Administrator Neal Sox Johnson said today.

Letters explaining the purchase offer should reach borrowers throughout the country early this week, he said.

FmHA is required to raise \$584 million from asset sales this fiscal year under the third sale mandated by the 1986 Reconciliation Act. Last year, more than \$900 million was collected when borrowers bought 3,300 loans.

"We don't know what to expect in terms of purchases this year," Johnson said. "But if we don't raise enough in that way, we will have to consider other approaches, including a sale of loan assets, to enable us to meet the target."

Johnson said no deposits will be required for loans purchased by March 9. For loans purchased between March 10 and May 9, a 5 percent good-faith deposit is required by March 9, and the sale must be completed by May 9.

The discount will depend on factors such as the loan's interest rate, type of financing, and maturity. Letters to borrowers include a "pricing grid" to help borrowers determine the discount.

Ron Ence (202) 447-4323

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## **USDA ANNOUNCES 1989 FLUE-CURED TOBACCO ASSESSMENT RATES**

WASHINGTON, Jan. 12—The U.S. Department of Agriculture announced today that producers and purchasers will each be assessed 1.12 cents per pound for the 1989 crop of flue-cured tobacco.

The 2.24 cent assessment covers a no-net-cost assessment of 2 cents per pound and a budget deficit assessment of .24 cents per pound.

USDA's Commodity Credit Corporation consulted with the Flue-Cured Tobacco Cooperative Stabilization Corporation, the producer-owned association that provides price support for flue-cured tobacco, before determining the no-net-cost assessment.

The budget deficit assessment is imposed in accordance with amendments made to the Agricultural Act of 1949 by the Omnibus Budget Reconciliation Act of 1987. These amendments allow a reduction in the level of price support by 1.4 percent or for an assessment on producers and purchasers of tobacco to achieve an equal reduction in outlays by CCC.

The 1989 price support level will remain at the level announced on Dec. 15, 1988 of \$1.468 per pound.

Bruce Merkle, telephone (202) 447-6787.

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## **USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON**

WASHINGTON, Jan. 12—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Jan. 13, through 12:00 midnight Thursday, Jan. 19.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Jan. 12, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price

Northern Europe Price ..... 63.59

Adjustments:

Average U.S. spot market location ..... 10.45

SLM 1-1/16 inch cotton ..... 2.00

Average U.S. location ..... 0.42

Sum of Adjustments .....-12.87

ADJUSTED WORLD PRICE ..... 50.72 cents/lb.

Coarse Count Adjustment

Northern Europe Price ..... 63.59

Northern Europe Coarse Count Price .....-58.80

4.79

Adjustment to SLM 1-inch cotton ..... -4.15

COARSE COUNT ADJUSTMENT ..... 0.64 cents/lb.

The next AWP and coarse count adjustment announcement will be made on Jan. 19.

Charles Cunningham (202) 447-7954

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## USDA PROPOSES TO ALLOW AIR INJECTION DURING CARCASS DRESSING OPERATIONS

WASHINGTON, Jan. 13—The U.S. Department of Agriculture is proposing to allow cattle and hog slaughter plants to inject air into carcasses to aid in the dressing operation.

The intent of the original law, which did not allow the use of air, was to prevent adulterated or mislabeled carcasses or parts, since inflating carcasses with air could alter their true appearance, according to Dr. Lester M. Crawford, administrator of USDA's Food Safety and Inspection Service.

"However, we found no alteration of the true appearance or condition of the carcasses when the proposed procedures were tested at several plants," said Crawford. "We determined these new methods actually



aided in removing hair and skin from cattle and hogs, so we believe it is only practical to amend the current regulations.”

The number of requests to use air during dressing operations has been increasing, and provisional approval has already been given to some plants.

Future requests for the use of air must be specifically approved on an individual basis by USDA to ensure that the use of air is justifiable.

The proposal will be open for comments through March 14.

The proposed rule is scheduled for publication in the today’s Federal Register. Written comments on the proposal should be sent in duplicate to the Policy Office, Attn. Linda Carey, FSIS Hearing Clerk, Room 3168-S, FSIS, USDA, Washington, D.C. 20250.

FSIS inspects meat and poultry products to ensure that they are safe, wholesome and accurately labeled.

Richard Bryant (202) 447-9113

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## **USDA PROPOSES TO AMEND REGULATIONS ON IMPORTED PRODUCTS REFUSED ENTRY**

WASHINGTON, Jan. 13—The U.S. Department of Agriculture is proposing to amend federal meat and poultry inspection regulations on the handling of imported products which have been refused entry into the United States.

The intent is to clarify the regulations so that any products which are “refused entry” into the United States, exported to another country, and then returned to the United States can be seized and condemned, said Dr. Lester M. Crawford, administrator of USDA’s Food Safety and Inspection Service. The proposal does not establish new policy, but merely specifies actions which are currently authorized under various laws, he said.

“We want to ensure that any meat or poultry which is refused entry into the United States because it is adulterated or misbranded is not reimported and put into consumer food channels,” Crawford said.



Meat or poultry that is rejected by USDA import inspectors is stamped "U.S. refused entry." The owners or consignees then have 45 days in which to remove the product from the U.S., destroy it, or convert it into animal food.

The proposed rule would not have significant economic impact on industry or consumers, Crawford said.

This proposal is scheduled to appear in today's Federal Register. Comments will be accepted through March 14 and should be sent to: Policy Office, Attn. Linda Carey, FSIS Hearing Clerk, Room 3171 ~~30250~~, USDA, Washington, D.C.

FSIS conducts a reinspection program at the port of entry for imported meat and poultry products sold in interstate commerce to ensure that they are safe, wholesome, and accurately labeled. Only countries that operate inspection systems that are equal to the U.S. system are eligible to prepare meat and poultry products for the United States.

Linda Russell (202) 447-9113)

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## **USDA PROPOSES TO ALLOW A NEW BINDER IN GROUND AND FORMED POULTRY PRODUCTS**

WASHINGTON, Jan. 13—The U.S. Department of Agriculture is proposing to allow processors to use a mixture of sodium alginate, calcium carbonate, lactic acid and calcium lactate as a binder in ground and formed poultry products. The proposal will be open for comments through Feb. 13.

Poultry processors would be able to use a wider variety of binders in products if the proposal is adopted, according to Dr. Lester M. Crawford, administrator of USDA's Food Safety and Inspection Service. The use of the binder mixture in poultry products would be voluntary.

"We've reviewed research data indicating that small amounts of the binder mixture are safe and useful for maintaining the cohesiveness of raw and precooked formed poultry products," said Crawford. "All the substances in the mixture are generally recognized as safe by the Food and Drug Administration for use in food either separately or as a dry mixture."

The proposed rule would also require that the term “formed” and the ingredients in the binder be listed as part of the product’s name.

Processors can use the dry binder as an alternative to sodium chloride and phosphate salts, which may reduce the sodium content of the formed products. Sodium chloride and phosphate salts are used for flavor and to aid in the binding of the poultry pieces.

The proposed rule is scheduled to be published in today’s Federal Register. Comments will be accepted through Feb. 13 and should be sent to: Policy Office, Attn: Linda Carey, Hearing Clerk, FSIS, USDA, Washington, D.C. 20250.

FSIS ensures that all ingredients used in poultry products are safe and wholesome and that the products are accurately labeled.

Richard Bryant (202) 447-9113

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